

Mime-Version: 1.0  
Date: Thu, 21 Dec 1995 13:20:13 -0800  
To: deanna  
From: brewster@wais.com (Brewster Kahle)  
Subject: support spinoff or JV? Background

>Date: Thu, 21 Dec 1995 08:18:44 -0800  
>To: lenl@aol.com  
>From: brewster@wais.com (Brewster Kahle)  
>Subject: support spinoff or JV? Background  
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>  
>Len,  
>  
>Good to talk last night. I believe the deal was handed to you early in  
>the business dealings since they were shifting rapidly.  
>I believe the goal is to quickly handle the ongoing support  
>issues around waisserver, or at least that is why I suggested to ted that  
>it leave AOL with a support team. (AOL then suggested that I  
>leave with this venture, btw.)  
>  
>I think we have come up with 2 scenarios: Support Spinnoff and JV.  
>Your suggestion is somewhere inbetween, so I am confused.  
>An alternative supported by Barry Schuler is to give the server  
>and support to Fulcrum, another search company.  
>  
>AOL got what it wanted in WAIS Inc: website production. It also got a product  
>it no longer wants. Therefore the value in the idea to me is some  
>amount of saving face (both AOL's and mine) with important customers.  
>Medior has publicly announced the cancelation of WAIS by  
>posting a "this site is dead" sign on the WAIS website  
>(this should be corrected, but I have not been able  
>to effect this).  
>  
>I see Bruce Gilliat as key in this, but he he is a wild card.  
>This will be up to AOL to negotiate. (All of this is complicated by  
>distance)  
>  
>  
>\*\*Support Spin-off: Mike suggestion\*\*  
>  
>There is not much value in supporting a dying  
>product (but it could possibly be revived). AOL wants it supported and  
>brewster is willing to do it.  
>This is my interpretation behind Mike's suggestion:  
>support it and it is yours-- part as friends--  
>if the future if we can work together, great.  
>  
>  
>\*\* Joint Venture: Ted's suggestion\*\*  
>  
>AOL invests a number of good people, manages that investment,  
>Brewster funds it, and maybe something nifty will happen.  
>I think it would take a 1/2 - 1 person at AOL to  
>make a success of a JV (I would guess it is as hard  
>as bringing in an acquisition).  
>I suggested that person start off me, but if I go with it,  
>then maybe the AOL owner  
>should be David Gang or Barry Appelman.  
>  
>What you talked about seemed like a support spinoff  
>where aol keeps 1/3. Why would a new

>company want to give up 1/3 of its  
>equity just for the support obligation?  
>  
>At this point, I suggest we go with Mike's suggestion or the Fulcrum option.  
>  
>Since my departing seems to have been discussed by the exec staff,  
>I suggest I leave in 2 weeks.  
>This could help make sure this issue does not  
>unduly distract the staff. If my leaving  
>in 2 weeks does not help, I will take back this offer.  
>  
>If we are to part, lets part as friends.  
>  
>This may need more discussion to make sure we are talking  
>about the same thing. phone 203-245-8644, cell: 415-608-3436.  
>  
>-brewster  
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